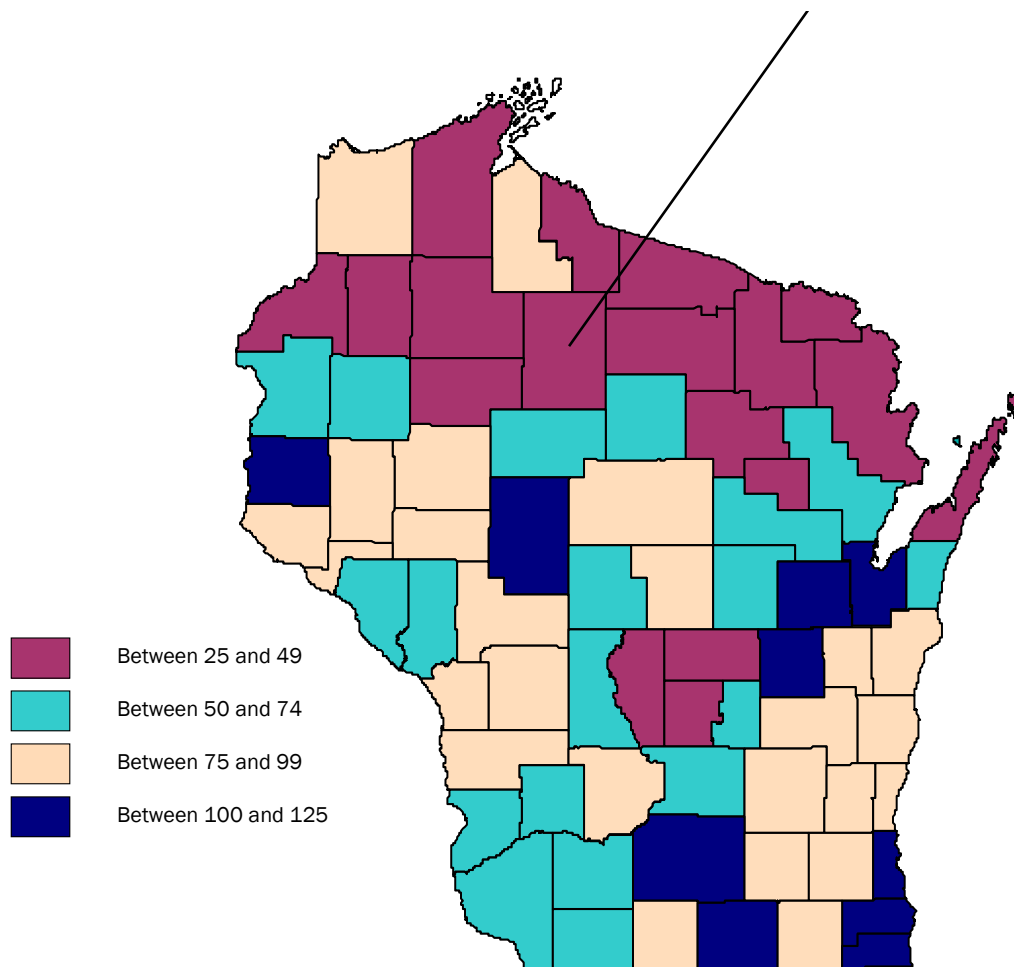


Price County Workforce Profile



The number of residents aged 25-29 years for every
100 residents aged 60-64 years in year 2025



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



County Population

The population in Price County increased from Census 2000 to January 2004, but at a much slower pace than in the nation and Wisconsin. The population in Price County increased 0.8 percent by adding 132 residents and ranked 70th in growth among the state's 72 counties. Six of the county's 22 municipalities, including the largest, the City of Park Falls, lost residents during the four-year period. Eight of the ten largest mu-

Total Population

	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
United States	281,421,906	292,287,454	10,865,548	3.9%
Wisconsin	5,363,715	5,532,955	169,240	3.2%
Price County	15,822	15,954	132	0.8%
Largest Municipalities				
Park Falls, City	2,793	2,689	-104	-3.7%
Worcester, Town	1,711	1,743	32	1.9%
Phillips, City	1,675	1,676	1	0.1%
Lake, Town	1,319	1,367	48	3.6%
Elk, Town	1,183	1,199	16	1.4%
Fifield, Town	989	999	10	1.0%
Ogema, Town	882	897	15	1.7%
Eisenstein, Town	669	678	9	1.3%
Prentice, Village	626	640	14	2.2%
Flambeau, Town	535	574	39	7.3%

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau

nicipalities out-paced the percent increase of the county and two exceeded the increase of the state. The net gain in population was from new residents, who migrated into the area since there was no increase from natural causes.

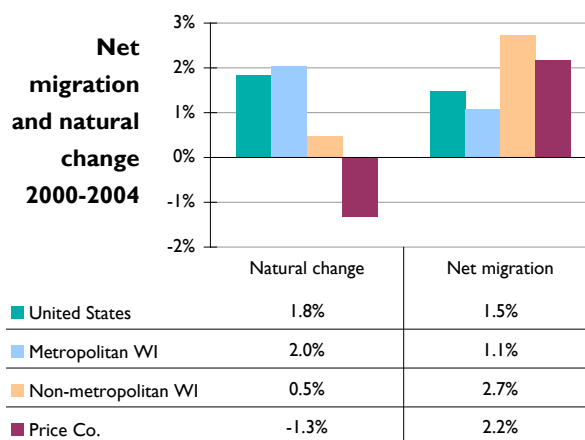
There were 507 births in Price County from 2000 to 2004, 211 fewer than the number of deaths. The bars representing 2030 in the graph on the right reflect the lack of very young residents; the results of declining births. The reason for fewer births may be that there are fewer residents between the ages of 20 and 34, the primary ages for having children. In fact, the fertility rate (see glossary) in the county of 50.4 is lower than the state rate of 58.7 and ranks 62nd in the state.

The increase in county population is attributed entirely from the addition of 340 residents from net migration, more people moving into the county than leaving the county. While the migration rate in Price County of 2.2 percent was greater than the Wisconsin

rate of 1.6 percent, it was less than the rate of other non-metropolitan counties in Wisconsin. Residents that move to the county are generally older, while those who leave are more often high school graduates. This means that the overwhelming trend in the county is toward an older population that will out-number a younger population.

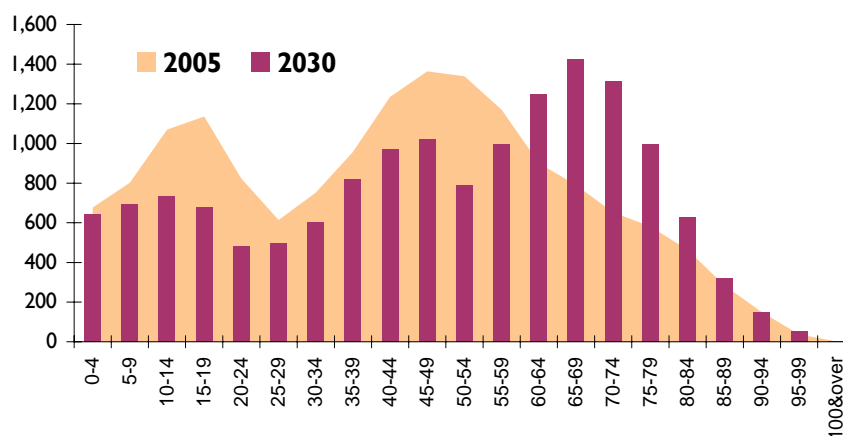
Roughly one-quarter of the population is currently over 60 years old, but by 2030 this share will expand to nearly 41 percent. In contrast, 29 percent of the current population is under 25 years old and will shrink to 22 percent by 2030. This trend is dramatized in the bottom graph where the 'hill' created by baby-boomers, now 40-59 years old, rises above all other age groups and continues to dwarf other ages in the next 25 years.

The impact of an aging population is perhaps more obvious in terms of services that they will require. But it also impacts the availability of labor, especially when lower fer-



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

Population by Age Groups in Price County



Source: WI Dept. of Administration, Demographic Services

Future Population and Labor Supply

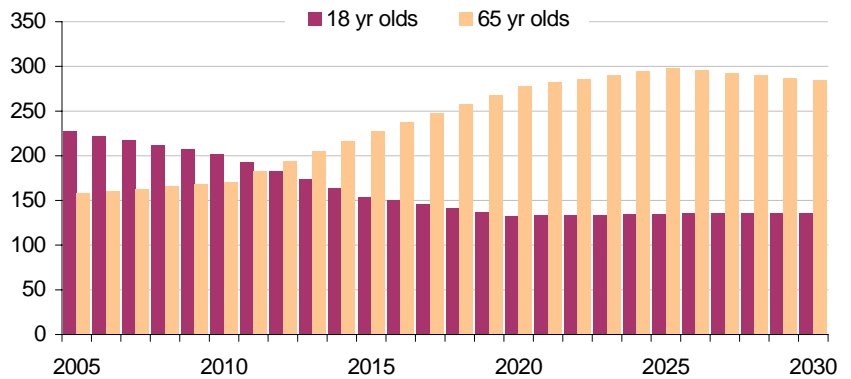
tility rates also mean fewer young people. Assuming that 65 years old represents an average age of retirement and that 18 years old represents high school graduation then a plot of the number of these residents points to a time when the first group exceeds the second group in number. This convergence will occur in 2012 in Price County.

As residents age their participation in the labor force declines. Labor force participation rates (LFPR, see glossary) among the population 25 to 50 years of age in Price County generally exceed 85 percent. But after age 55, the LFPR begins to drop and by age 60 it is near 50 percent. As the population ages the losses from natural causes will increase. The result is that Price County is one of only two counties in the state projected to have fewer residents in 2020.

Labor force growth in the next tens years will be minimal and by 2020, as the population shrinks and a greater share will be over 50 years old, the labor force will decline to the current level of participants. After expanding 8.3 percent from 2000 to 2010 the labor force is projected to decline 7 percent by 2020 and will decline another 13 percent in the ten years beyond that. The three columns in the chart on the right illustrate labor force composition and size. Most notable is the increasingly larger sections representing workers over 65 years.

This projection uses national assumptions that included a slight increase in the participation rates of older residents, but did not factor in the declining participation rates of white resi-

Convergence of 18 & 65 year old population in Price County

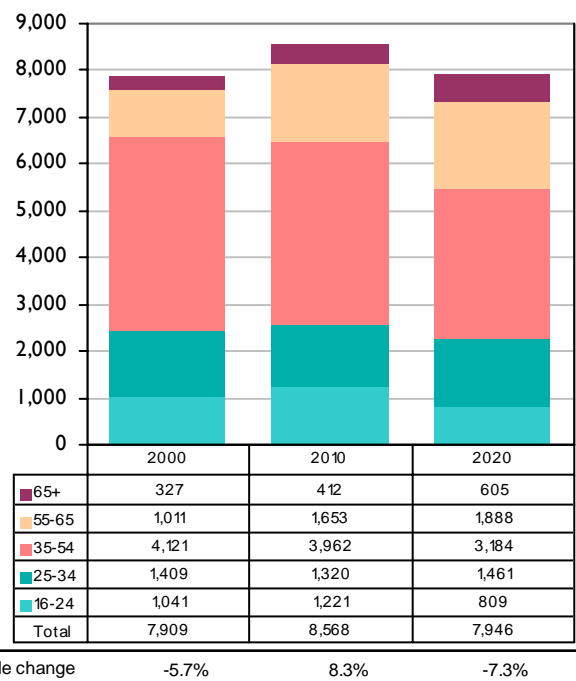


Source: WI Dept. of Administration, Demographic Services

dents; and the population in Price County is 98 percent white. The largest ethnic group, Hispanic, is less than one percent of the total population.

Two broad scenarios arise from the disparity in age and ethnicity: 1) there will be labor shortages due to retirements and the lack of replacement workers especially in occupations that rely on younger workers or require specialized skills; and 2) the aging population will impact the economy as elderly demand changes in the types of goods and services provided in local communities.

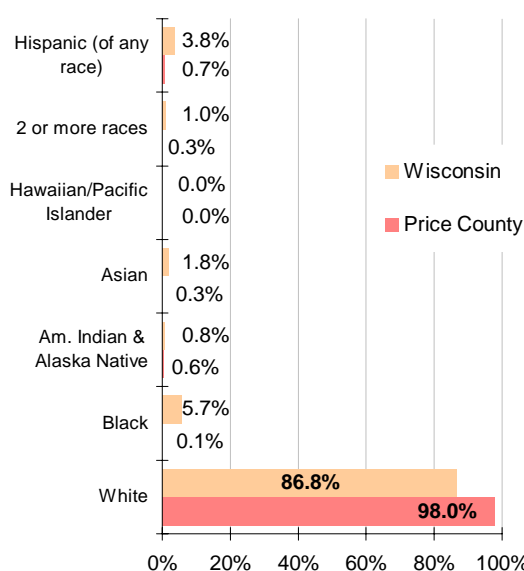
Price County Labor Force Projections by Age



Decade change -5.7% 8.3% -7.3%

Source: DWD, Office of Economic Advisors, August 2004

Race and ethnic distribution



Source: U.S. Census Population Characteristics Estimates, 2002

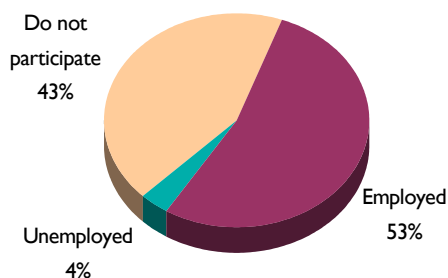
Current Labor Force

Labor force participation represents the share of population that is 16 years old and older that is either employed or looking for work. Participation rates in Wisconsin and the United States in 2003 were 72.9 and 66.3 percent, respectively.

In Price County the participation rate was 57 percent. That means that 43 percent of the population 16 years old and older did not participate. This includes some students and individuals, who choose not to work including retirees. As the

fewer new entrants into the labor force during the last recession is one of the reasons unemployment rates remained as low as they did. The unemployment rate in Price County in 2003 was 6.3 percent compared to a 12.4 percent unemployment rate following the 1981-82 recession when the baby-boomers were entering the labor force in droves.

Labor force participation in Price County

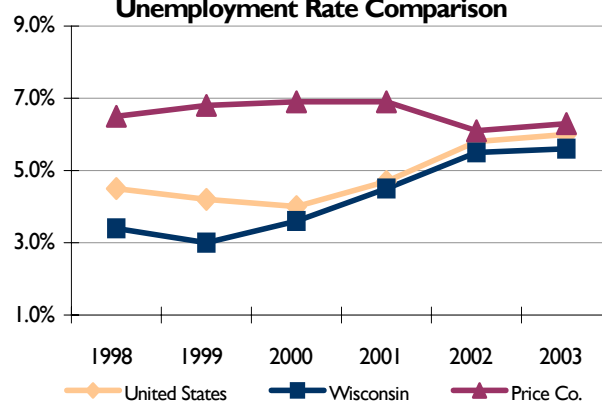


Source: DWD, Office of Economic Advisors, July 2004

population ages, more retirees will be included in the non-participating category by choosing not to work and the overall labor force participation rate will decline further.

There will also be fewer new entrants to the labor force, who are seeking first-time jobs, and consequently, fewer included among the unemployed. That, in turn, will produce lower unemployment rates. The fact that there were

Unemployment Rate Comparison



Price County Civilian Labor Force Data

	1998	1999	2000	2001	2002	2003
Labor Force	7,561	6,977	6,968	7,107	6,950	7,186
Employed	7,071	6,500	6,490	6,615	6,529	6,732
Unemployed	490	477	478	492	421	454
Unemployment Rate	6.5%	6.8%	6.9%	6.9%	6.1%	6.3%

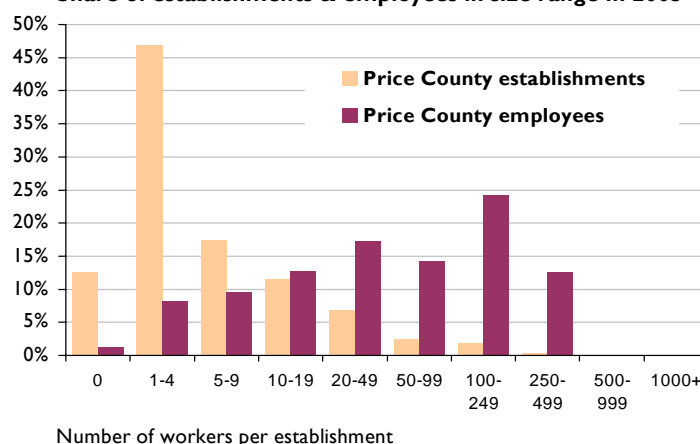
Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

Employers by Size

Nationwide, about one-quarter of the jobs are with employers that have 250 or more employees compared to roughly 31 percent in Wisconsin. However, of the roughly 6,490 jobs in Price County only thirteen percent are with employers with 250 or more workers. In stark contrast, the share of employers with 250 or more workers comprises less than one percent of all employers in Price County, which is very similar to the less than one percent ratio in the nation and in Wisconsin.

The greatest share of jobs in the county is with employers in the 100-249 employee range. However, the greatest share of employers, 60 percent, has less than five workers. The average employer in Price County has 12 employees, compared with 17 employees in Wisconsin and 13 in the United States

Share of establishments & employees in size range in 2003



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

Industry & employers by size

The employers with more than 250 workers are the four largest employers listed among the ten largest employers in the county. All four are manufacturing employers and represent industries included on the top ten industry list. The last recession was difficult for manufacturing but that was especially true for producers of machinery parts. Even though the group sustained a loss of 156 jobs in the last five years it remains at the top of the list in Price County with

678 jobs. There were even more jobs with employers in this industry prior to 1998.

While six of the top ten employers are manufacturers, two represent health care and two more are public sector. While only one of the three school districts in the county is included on the list together they provide 458 jobs making educational services is the third largest industry.

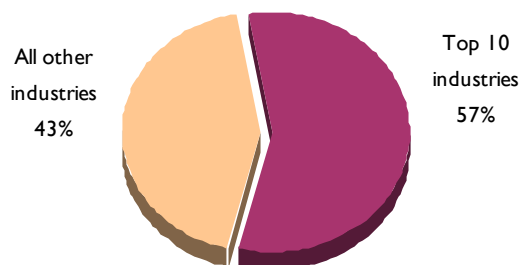
Top 10 Industries in Price County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Machinery manufacturing	10	683	-4	-162
Wood product manufacturing	12	644	50	274
Educational services	3	458	-26	-13
Paper manufacturing	suppressed	suppressed	not avail.	not avail.
Nursing & residential care facilities	3	335	0	0
Plastics & rubber products manufacturing	suppressed	suppressed	not avail.	not avail.
Food services & drinking places	29	285	10	48
Food & beverage stores	9	226	8	-3
Social assistance	9	180	30	30
Ambulatory health care services	16	179	4	3

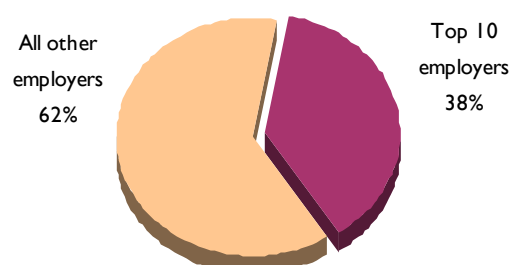
Top 10 Employers in Price County

Establishment	Product or Service	Size (Dec. 2003)
Marquip LLC	Paper industry machinery manufacturing	250-499 employees
Fraser Papers Inc.	Paper, except newsprint, mills	250-499 employees
Phillips Plastics Corp.	Various plastics product manufacturing	250-499 employees
Weather Shield Inc.	Wood window and door manufacturing	250-499 employees
Flambeau Hospital Inc.	General Medical and Surgical Hospitals	100-249 employees
School Dist of Phillips	School and employee bus transportation	100-249 employees
County of Price	Executive, legislative, & gen. government offices	100-249 employees
Blount Inc.	Construction machinery manufacturing	100-249 employees
Park Manor Ltd	Nursing care facilities	100-249 employees
Saint Croix of Park Falls Ltd	Sporting and athletic goods manufacturing	100-249 employees

Share of jobs in top 10 industries in Price County



Share of Price County jobs with top 10 employers

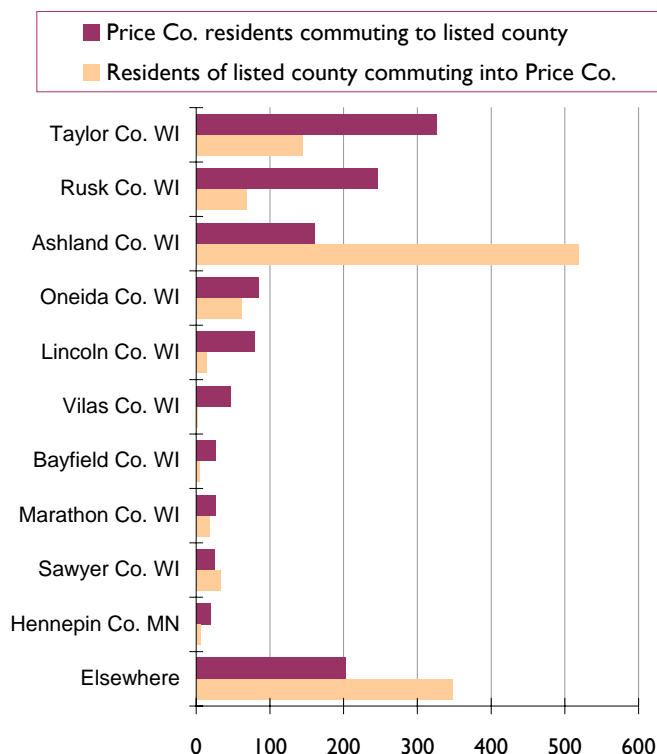


Commuting

In Price County, 1,244 residents, 17 percent of the workers who live in the county, traveled out of the county for a job. One in every four workers who left the county headed for destinations in Taylor County, especially to employers in the City of Medford. The traffic flows in both directions between Price and Taylor counties, but for every two Price County workers that drive to Taylor County for a job, only one Taylor County worker commutes into Price County. The most popular destination for workers from Taylor County is the Village of Prentice.

However, nearly half of the 1,220 workers that commute from surrounding communities to the jobs in Price County travel from Ashland County. Most of them live in southern Ashland County and are headed to employers in the City of Park Falls. These workers, as well as workers from other neighboring counties, are very important to the employers in Price County and the number has increased from 755 in 1990.

Overall, the county attracts nearly as many workers as it loses, but the county residents that find work in other counties do not travel far. Nearly 80 percent of workers that leave the county travel to a neighboring county. Residents who travel outside of Price County for a job are still included among the employed in the local labor force.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

Key occupations & wages

Price County shares some job characteristics with neighboring counties and those similarities were used to define a labor supply area. The list on the right includes wages for some of the occupations with the most employment in that area. It is significant because these 20 occupations provide approximately 19,500 jobs, or 35 percent of total employment, in the combined county area.

Each occupation includes a mean (average) and median (50th percentile) hourly wage probably the most frequently requested wage information. If the mean and median are relatively close the labor market for that occupation is probably tight.

Ten of the 20 occupations typically require only short-term training and, for the most part, have a mean hourly wage under \$10/hour. There are also jobs on this list that typically require only moderate to long-term training periods and have mean wages that range from \$10/hour to \$20/hour. Only the two highest paying jobs typically require college degrees.

Occupation title	Hourly Wages			
	Mean	Percentile		
		25 th	50 th	75 th
Retail salespersons	\$9.59	\$7.11	\$8.26	\$10.61
Cashiers	\$7.80	\$6.66	\$7.66	\$8.73
Janitors & cleaners, except maids & hskpg. cleaners	\$8.80	\$7.49	\$8.32	\$9.33
Nursing aides, orderlies, & attendants	\$9.82	\$8.64	\$9.75	\$10.86
Truck drivers, heavy & tractor-trailer	\$16.40	\$12.91	\$17.52	\$20.40
Team assemblers	\$14.04	\$10.31	\$13.68	\$17.07
Laborers & freight, stock, & material movers, hand	\$12.20	\$8.60	\$11.38	\$15.81
Secretaries, except legal, medical, & executive	\$10.70	\$9.06	\$10.70	\$12.55
Registered nurses	\$20.79	\$18.62	\$20.63	\$23.00
Comb. food prep. & serving workers (fast food)	\$7.28	\$6.15	\$7.15	\$8.11
Carpenters	\$15.03	\$10.63	\$13.40	\$18.21
Office clerks, general	\$10.06	\$8.04	\$9.83	\$11.92
Bookkeeping, accounting, & auditing clerks	\$10.89	\$8.75	\$10.62	\$13.01
Helpers--production workers	\$12.73	\$9.87	\$12.43	\$15.36
Maintenance & repair workers, general	\$17.63	\$13.32	\$17.79	\$22.60
Waiters & waitresses	\$7.34	\$6.17	\$6.89	\$8.34
Ist-line supvsr/mgrs. of prod. & operating workers	\$19.75	\$15.19	\$18.25	\$22.88
Stock clerks & order fillers	\$9.74	\$7.48	\$8.92	\$11.06
Welders, cutters, solderers, & brazers	\$15.29	\$13.74	\$15.66	\$17.13
General & operations managers	\$35.30	\$21.27	\$28.86	\$43.62

Price County is part of an area which includes Lincoln, Oneida, Price and Waupaca counties.

Source: DWD, Office of Economic Advisors, special tabulation using EDS and OES 2003

Employment and Wages

An increase of just 0.5 percent, or 33 jobs, in payroll employment in Price County from 2002 to 2003 was better than the percent change in Wisconsin of -0.2 percent. Jobs increased as employers in the trade, transportation, & utilities group and in leisure and hospitality added workers. However, the two industry groups together provide less than 23 percent of all the county's jobs.

Manufacturing employers, in spite of job losses in 2003, still provide 37 percent of all jobs in the county and 48 percent of the total payroll from all industries. Even though manufacturing jobs declined in the last year, wages increased 3.1 percent. Wages increased for two reasons, 1) total payroll increased and 2) higher wages often occur when workers with less seniority and lower wages are laid off.

The highest annual average wages in the county are still earned by workers in manufacturing, while the lowest wages in leisure & hospitality, \$7,460, are paid to workers in six percent of the county's jobs. Several factors influence average wages in industries and especially impact workers in leisure and hospitality including job tenure (those with more seniority are paid more than new hires), average workweek (full or

Average Annual Wage by Industry Division in 2003

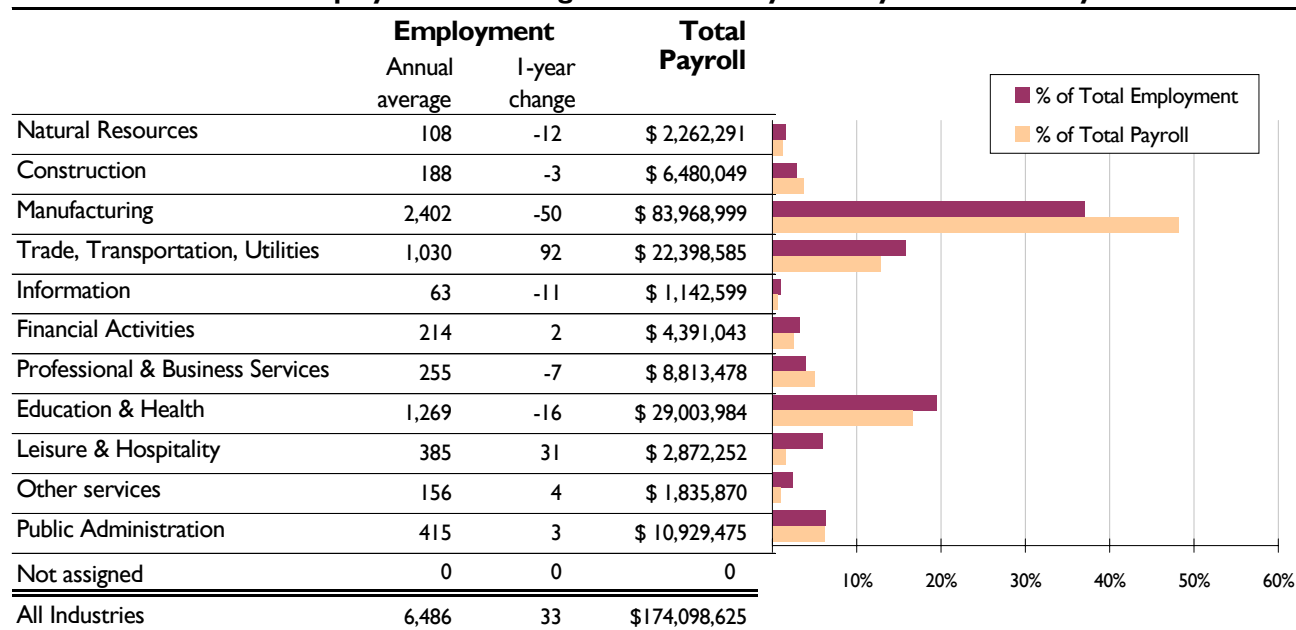
	Average Annual Wage Wisconsin	Average Annual Wage Price County	Percent of Wisconsin	1-year % change
All Industries	\$ 33,423	\$ 26,842	80.3%	3.4%
Natural resources	\$ 25,723	\$ 20,947	81.4%	6.3%
Construction	\$ 40,228	\$ 34,468	85.7%	5.6%
Manufacturing	\$ 42,013	\$ 34,958	83.2%	3.1%
Trade, Transportation, Utilities	\$ 28,896	\$ 21,746	75.3%	9.6%
Information	\$ 39,175	\$ 18,136	46.3%	12.8%
Financial activities	\$ 42,946	\$ 20,519	47.8%	7.2%
Professional & Business Services	\$ 38,076	\$ 34,563	90.8%	0.3%
Education & Health	\$ 35,045	\$ 22,856	65.2%	3.8%
Leisure & Hospitality	\$ 12,002	\$ 7,460	62.2%	1.9%
Other services	\$ 19,710	\$ 11,768	59.7%	0.5%
Public Administration	\$ 35,689	\$ 26,336	73.8%	5.7%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

part-time), seasonal and temporary employment, and occupation composition (professional and technical jobs generally have higher wages than clerical and service occupations).

The distribution of total payroll and employment for the major industry groups in Price County is detailed in the chart below. Following manufacturing, education & health services employers, which in this case also includes public education, provides the second greatest share, 19.6 percent, of the jobs in the county and has the second highest payroll.

2003 Employment and Wage Distribution by Industry in Price County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004

Per Capita Personal Income

Per capita personal income (see glossary) increased 5.5 percent in Price County in 2002, faster than in the United States, Wisconsin and other non-metropolitan counties in the state. Even with the increase, the PCPI in the county is only 82 percent of PCPI in Wisconsin and 79 percent of the United States. It ranks 43rd out of 72 counties in the Wisconsin.

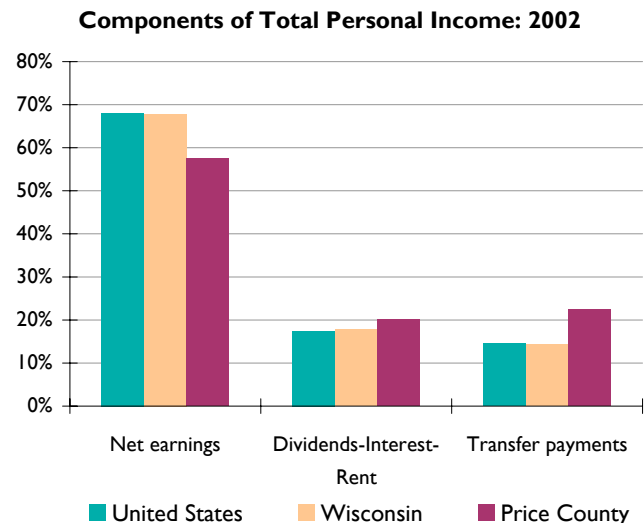
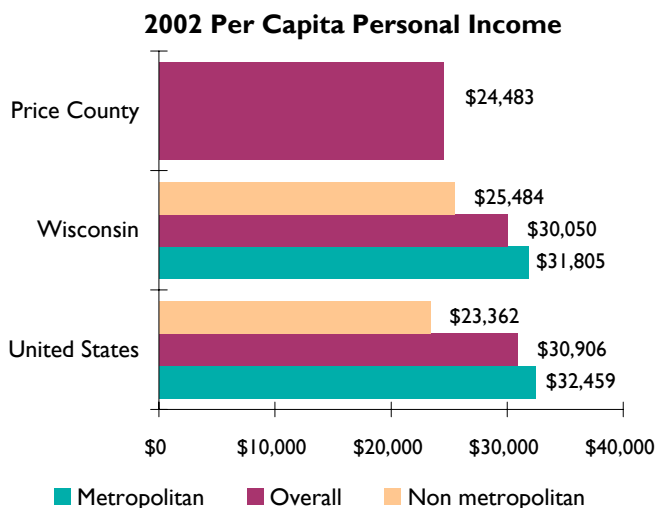
The greatest share of total personal income is net earnings from jobs, both in and out of the county, self-employment and proprietorships. Not only are annual average wages considerably lower than in Wisconsin, but the share of total personal income from net earnings of 57 percent in Price County

is well below the 68 percent of both the state and nation. In contrast, transfer payments, of which 83 percent are retirement and medical payments, comprise a much larger share of the county's total income. Both factors contribute to the lower PCPI in the county.

While PCPI is often used as a comparative income measure it should be remembered that population is also a key component. PCPI is the result of dividing total income by total population. Residents over 18 years old earn most income, but the younger population is still included in the formula. Likewise, a retired population has a much lower earning capacity.

	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Non-metropolitan WI	\$20,734	\$22,195	\$22,900	\$24,059	\$24,833	\$25,484	2.6%	22.9%
Price County	\$20,871	\$21,708	\$21,650	\$21,870	\$23,202	\$24,483	5.5%	17.3%
In current dollars (adjusted to U.S. CPI-U)								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Non-metropolitan WI	\$23,240	\$24,497	\$24,728	\$25,135	\$25,226	\$25,484	1.0%	9.7%
Price County	\$23,394	\$23,959	\$23,378	\$22,848	\$23,568	\$24,483	3.9%	4.7%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

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email: Beverly.Gehrke@dwd.state.wi.us

Metropolitan Statistical Area (MSA) - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

Non-metropolitan county - Any county that is not a member of a metropolitan statistical area.

Net Migration - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

Natural Change - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

Fertility rate - Number of live births per 1,000 women aged 15-44 years.

Employed - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

Unemployed - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

Labor Force - The sum of the employed and unemployed, whom are at least 16 years of age and older.

Unemployment Rate - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

Labor Force Participation Rate (LFPR) - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

Suppressed - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

Total Personal Income - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

Per Capita Personal Income (PCPI) - Total personal income divided by the total population.

Current Dollars - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

CPI-U - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.